CLASSIFICA

INFORMATIC

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REPORT

CIA-RDE82-0045789023006

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no Russian troops there furing the last ten months. On the other hand, Russian officers have been assigned to all regional SNB headquarters in

about the presence of Russian

SEE REVERSE FOR DECLASSIFICATION ACTION

2. Economic

Slovakia.

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SEPT. 1948

Russia has radically changed her economic policy with respect to Czechoslovakia. Czechoslovakia is now receiving from the USSR raw materials of good quality and on time. Czechoslovak industries, on the other hand, have completely lost their independence. In every regional industrial directorate there is a Russian official controlling production, submitting to design with the Carolina Soval and seemed to

troops in eastern Slovakia and to have ascertained that there have been

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that bridges on the Presov-Vranov road are being reinforced.

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CENTRAL INTELLIGENCE TOWNOY

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Russian demands, and controlling delivery. The Czechoslovak economy is geared to the Russian economy.

- b. The collectivization of agriculture is expected within the near future and is now being widely discussed. It is expected that the Government will try is justify collectivization by the claim that the farmers have failed to meet their prescribed delivery quotas. In the meantime, in many cases national managers are being assigned even to farms not larger than 10 hectares. The farmers hit by this measure are practically deprived of all income.
- c. In order to produce the quotas set by the Two-Year and the Fix-Year Plans, factories have been producing coarser and heavier goods rather than finished and light goods. Goods which could be produced but whose production takes longer than that of other items are not being produced at present. Thus, for example, there is a shortage of finer items and chinaware; it is almost impossible to buy coffee cups, but the market is full of large ice cream containers. Through the production of the latter, a given factory maintains a high level of production in terms of total weight produced.

3. Political

- a. Older members of the Communist Party, with the exception of a new Politbureau and Cominform proteges, have been pushed aside. The leadership has been taken over by younger Communists who have received schooling in Moscow.
- b. The extent of the impotence of some Government members is well illustrated by the fact that Milan Polak, Slovak Commissar and member of Farliament, has been ordered not to inquire about the fate of General Pika or intercede on his behalf, although Pika's son is married to Polak's daughter.

Document is hereby regraded to CONFLENTIAL in accordance with the letter of the October 1978 from the Director of Central Intelligence to the Archivist of the Unite States.

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NO CHANGE IN Class. II

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